



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

DEC 28 2009

OFFICE OF  
WATER

Shelley Luce, D.Env.  
Executive Director  
Santa Monica Bay Restoration Commission  
320 W. Fourth St., Suite 200  
Los Angeles, CA 90013

Dear Dr. Luce:

The purpose of this letter is to provide the results of the Environmental Protection Agency's (EPA) 2009 Program Evaluation (PE) and to thank you and the Santa Monica Bay Restoration Commission's (SMBRC) staff, as well as your partners, for contributing to the 2009 PE process. We recognize that you put considerable effort into both the PE package and the responses to our follow-up questions. In addition, we would like to thank you for arranging the on-site visit for the PE Team, and for actively participating in meetings and field trips to various sites in the SMBRC study area.

I'd like to note that your evaluation benefited from the voluntary participation of Ms. Judy Kelly, Director of the San Francisco Estuary Partnership, who served in an ex-officio capacity on the PE Team. Ms. Kelly's participation provided the Team members (John McShane, EPA HQ, and Ephraim Leon-Guerrero, EPA Region IX) with an invaluable NEP perspective on the perceived strengths and challenges of your Program. She also shared ideas from the SFEP that might be useful for your Program.

The primary purpose of the PE is to help EPA determine whether the 28 programs included in the National Estuary Program (NEP) are making adequate progress in implementing their Comprehensive Conservation and Management Plans (CCMP). The evaluation process has considerably enhanced EPA Headquarters and Regional knowledge of each individual NEP and promoted the sharing of innovative projects and approaches across all 28 NEPs. In addition, EPA uses the evaluation process to assess how the NEPs support Clean Water Act (CWA) core programs and to evaluate the extent and effectiveness of the NEPs' contributions to achievement of two relevant EPA 2006 - 2011 *Strategic Plan* goals--Goal 2: Clean and Safe Water, Objective 2.2, Protect Water Quality; and Goal 4: Healthy Communities and Ecosystems, Objective 4.3, Restore and Protect Critical Ecosystems.

Based on the PE Team findings, we believe your Program continues to make significant progress in implementing the SMBRC CCMP. You have passed the 2009 PE and are eligible for continued funding under §320 of the CWA.

## **2009 Program Evaluation Findings**

The following summary highlights the Team's key findings by identifying the SMBRC's strengths and recommending areas for improvement. This summary is intended both to recognize the Program's successes and to recommend efforts to further strengthen your Program. The SMBRC's response to these recommendations will be evaluated in the next PE cycle.

### **1. Progress Made in the Areas Highlighted in the 2005 Implementation Review**

#### **Fiscal and Grant Management**

The SMBRC has significantly improved the management of annual CWA §320 grants and its other fiscal resources since the 2005 review. For example, independent audits indicate that the SMBRC was in compliance with accepted accounting principles each year since 2005. In addition, SMBRC staff now includes a full-time grants and contracts administrator and an independent, outside certified public accounting firm that conducts annual financial reviews. Finally, the SMBRC continues to meet all EPA grant requirements, including: 1) the submittal of progress and financial status reports, 2) development of the annual grant work plan and budget, and 3) issuance of an Annual Report.

### **2. Support of CWA Core Programs**

#### **Total Maximum Daily Load (TMDL) Implementation**

The SMBRC works closely with stakeholders to develop and implement TMDLs to achieve water quality standards in the watersheds draining to Santa Monica Bay. The Commission conducted an extensive public review to revise the Bay Restoration Plan so that it better aligns with the programs of the Los Angeles Regional Water Quality Control Board that implement TMDLs. The revised Plan now targets more State Proposition funds to implement stormwater best management practices, including catch-basin filters to reduce trash in streams, low-flow diversions to prevent polluted runoff from reaching beaches, and other treatment and re-use projects. Since 2005, the SMBRC has awarded tens of millions of dollars in grant funding, and leveraged tens of millions more, for projects to help meet the trash, pathogen, and metals TMDL reduction targets in local water bodies. The emphasis on TMDL implementation has been very effective in addressing water quality impairment problems and for focusing limited public resources on projects that improve water quality. This level of emphasis is expected to continue under the revised Plan.

#### **Improve Water Quality – Municipal Stormwater Permit**

The SMBRC has proven to be an influential leader by effectively coordinating with the municipalities that are responsible for reducing urban runoff to Santa Monica Bay. Faced with limited fiscal resources, in 2007 the Commission helped the municipalities study various

methods that would generate sufficient public resources to implement best management practices for eliminating or treating polluted runoff. For example, the SMBRC is now helping the County of Los Angeles develop a stormwater fee system to finance the development, operation, and maintenance of stormwater quality improvement projects and facilities. If successful, the fee assessment area may be expanded to include other municipalities. Furthermore, an adequate, long-term funding source ensures that the County, and the 88 municipalities in the SMBRC study area, will continue to have the ability to comply with the requirements of their NPDES permit for municipal stormwater discharges issued by the California Water Quality Control Board, Los Angeles Region.

### **3. Strengths**

#### **Ecosystem Restoration and Protection Projects**

The SMBRC has consistently used a variety of strategies to protect the remaining areas of riparian and estuarine habitat in the highly urbanized Santa Monica Bay watershed. Examples of SMBRC's planning and coordination leadership between 2005 and 2008 include:

1. Initiating the development of an updated Comprehensive Conservation and Management Plan ("Bay Restoration Plan") which targets funds specifically for projects that restore local wetlands, streams, and estuarine habitats.
2. Working closely with diverse stakeholders to develop habitat restoration priorities for the next five to ten years.
3. Establishing partnerships with municipalities allowing the SMBRC to develop effective land-use planning and decision-making tools for local officials, including a stream restoration policy guide, a stream protection ordinance template, and a stormwater fee feasibility study.
4. Funding a watershed-wide assessment, the "Green Solutions Project," to locate and prioritize publicly-owned land parcels suited for water quality improvement projects.

The SMBRC also worked closely with its stakeholders to implement the Integrated Regional Water Management Plan (IRWMP) for Los Angeles County. This Plan will ensure that there are multiple benefits of projects--including water supply, water quality, habitat protection, and flood protection--at the lowest cost.

#### **Program Implementation and Reporting - Outreach and Public Involvement**

The SMBRC adopted a new communications strategy in 2006 based on an analysis of Commission goals, a review of existing communication materials, and interviews with various SMBRC stakeholders. The new strategy identified key audiences and messages, recommended ways to expand the variety of tools the Commission uses, and developed a brand for SMBRC publications. These elements are all critically important for an effective outreach and communication plan. Since the SMBRC adopted the strategy it has enhanced: 1) the monthly publication of the *Baywire* electronic newsletter, 2) the communication of key messages to target

audiences, and 3) the distribution of annual reports. The SMBRC has also improved its relationship with the local media, including the addition of radio and print stories on issues such as water quality and the ecology of the Bay.

### **Ecosystem Restoration and Protection - Habitat and Living Resources**

The SMBRC has expended nearly two-thirds of its funding (CWA §320 and leveraged funds) for land acquisition and habitat restoration since the last review in 2005. The total amount of funds leveraged during that time period exceeded \$70 million and 1,500 acres of estuarine and freshwater wetlands, riparian areas, and upland habitats were protected or restored. This is a significant accomplishment considering the highly urbanized watershed, and extremely high land costs, and is consistent with EPA's Strategic Plan to protect and restore additional acres of habitat within NEP study areas.

### **4. Challenges**

#### **Program Implementation and Reporting – Financial Management**

The greatest challenge facing the SMBRC remains the lack of resources to fully implement the SMBRC's CCMP. With the budget crisis in California, the Commission will need to leverage additional funds to maintain the current core staffing levels, as well as to adequately implement the CCMP activities. EPA recommends that the SMBRC secure more implementation resources by: 1) seeking additional grant funds, 2) applying for more state and local grants, 3) using a percentage of the pass-through bond-measure project funds for project management and oversight, and 4) exploring other funding opportunities through the Santa Monica Bay Foundation.

Thank you again for participating in the PE process. We welcome any additional thoughts you may have either about the evaluation process or about EPA's involvement in the implementation of the SMBRC CCMP. If you have any questions or comments, please contact me or Dr. Bernice Smith, Chief, Coastal Management Branch, at (202) 566-1244.

Sincerely,



Paul Cough, Director  
Oceans and Coastal Protection Division

cc: Richard Bloom, Chair, Santa Monica Bay Restoration Commission  
Tracy Egoscue, Executive Officer, California Regional Water Quality Control Board, Los Angeles Region  
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